REMARKS

Applicant requests favorable reconsideration and allowance of this application in view of the foregoing amendments and the following remarks.

Claims 1-4 and 7-22 are pending in this application, with Claims 1, 8, 9, 10, 13, 16, 17, 18, and 19 being independent.

Claims 1-4, 7-11, 13, 14, and 16-19 have been amended. Applicants submit that support for the amendments and the new claims can be found in the original disclosure, and therefore no new matter has been added.

Claims 1-4, 7-9, 13-15, 17 and 19 stand rejected under 35 U.S.C. §112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Applicant has amended the claims in view of the Examiner's comments and submits that the amendments overcome the Examiner's objections. Favorable reconsideration and withdrawal of this rejection are requested.

Claims 1, 2, 7-9, and 20 stand rejected under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,192,138 B1 (Yamadaji, et al.). Claims 3, 4, and 10-19 stand rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Yamadaji and the article entitled "Adaptive Visible Watermarking of Images" (Kankanhalli et al.). Claim 21 stands rejected under 35 U.S.C. §103(a) as being unpatentable over Yamadaji and further in view of U.S. Patent No. 6,332,030 (Manjunath et al.). Claim 22 stands rejected under 35 U.S.C. §103(a) as being unpatentable over the combination of Yamadaji and Kankanhalli et al., and further in view of Manjunath et al. Applicant respectfully traverses these rejections for the reasons discussed below.

As recited in independent Claim 1, the present invention includes, *inter alia*, the features of compressing data of at least a first predetermined bit plane of original image data and embedding the compressed data into the first predetermined bit plane of the original image data. With these features, it is possible to restore an original image while also preventing an increase in data of the entire image by holding key information to be used in the restoration. Applicant submits that the cited art fails to disclose or suggest at least these features.

Yamadaji discloses that an image taken by photographing means is stored as watermark information, and the stored watermark information is embedded when the taken image is being subjected to JPEG compression. However, after the image data is compressed, the compressed data is embedded into image data different from the original image data. That patent does not disclose or suggest at least the features of compressing data of a least a first predetermined bit plane of original image data and embedding the compressed data into the first predetermined bit plane of the original image data. Accordingly, that patent cannot achieve the advantage of the present invention recited in Claim 1, as mentioned above.

The other cited art also fails to disclose or suggest the above-mentioned features.

The other independent claims recite similar features and are believed patentable over the cited art for similar reasons.

For the foregoing reasons, Applicant submits that all of the independent claims are allowable. The dependent claims are allowable for at least the same reasons as the independent claims, as well as for the additional features they recite.

In view of the foregoing, Applicants submit that this application is in condition for allowance. Favorable reconsideration, entry of this Amendment, withdrawal of the outstanding rejections, and an early Notice of Allowance are requested.

Applicant's undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should be directed to our below-listed address.

Respectfully submitted,

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